

# **EXHIBIT C**



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September 26, 2007

**FILE COPY**

Via Overnight Courier

Octave Entertainment Fund, Ltd.  
 c/o Octagon Asset Management, LLC  
 267 Fifth Avenue, Suite 301  
 New York, New York 10016  
 Attn: C. Mead Welles

**Re: Guaranty Agreement, dated as of August 18, 2006, and made by  
 Octave Entertainment Fund, Ltd. in favor of The Gatorade Company**

Dear Mr. Welles:

I am writing on behalf of The Gatorade Company ("Gatorade") to demand the payment of \$2,000,000 from Octave Entertainment Fund, Ltd. ("Octave") pursuant to that certain Guaranty Agreement, dated as of August 18, 2006, and made by Octave in favor of Gatorade (the "Guaranty").

As you are aware, pursuant to a Strategic Marketing Agreement (the "Marketing Agreement"), dated as of August 18, 2006, by and between Gatorade and The Gracie Movie LLC ("Gracie"), Gatorade, among other things, loaned \$2,500,000 (the "Additional Marketing Payment") to Gracie in connection with Gracie's writing, producing, editing and securing distribution for a major motion picture titled "Gracie." Section 5.2 of the Marketing Agreement provides, in pertinent part, that:

No later than December 15, 2006, [Gracie] shall repay to Gatorade \$500,000 of the Additional Marketing Payment. No later than the date which is fifty (50) weeks following [Gracie's] receipt of the Additional Marketing Payment, [Gracie] shall repay to Gatorade the remaining \$2,000,000 of the Additional Marketing Payment.

Gracie satisfied its obligation to repay \$500,000 of the Additional Marketing Payment to Gatorade. However, the balance of the Additional Marketing Payment (i.e., \$2,000,000) is past due and Gracie has failed and/or refused to repay those funds to Gatorade.

Pursuant to the Guaranty, Octave absolutely, unconditionally and irrevocably guaranteed the prompt payment of the outstanding balance of the Additional Marketing Payment in an aggregate amount not to exceed \$2,500,000. Thus, pursuant to Article IV of the Guaranty, Gatorade hereby demands Octave's payment of \$2,000,000 in immediately available funds no later than five (5) business days from the date of this letter. Funds should be wired to the account listed below:

Bank: JP Morgan Chase, New York  
 ABA No.: 021-000-021  
 Swift Code: CHASUS33  
 Account Name: The Quaker Oats Company  
 Account Number: 323268021



September 16, 2007  
Page Two

If Gatorade does not receive \$2,000,000 within five (5) business days following September 27, 2007, it will take all necessary actions to protect and enforce its rights under the Guaranty, including, without limitation, filing an action against Octave in the United States District Court for the Southern District of New York.

Please feel free to give me a call should you have any questions or comments.

Very truly yours,

**DLA Piper US LLP**

A handwritten signature in black ink, appearing to read 'Brian A. Maudette'.

Brian A. Maudette

BAA:fp

cc: Mark McGowan  
David Neff  
Brian Murphy

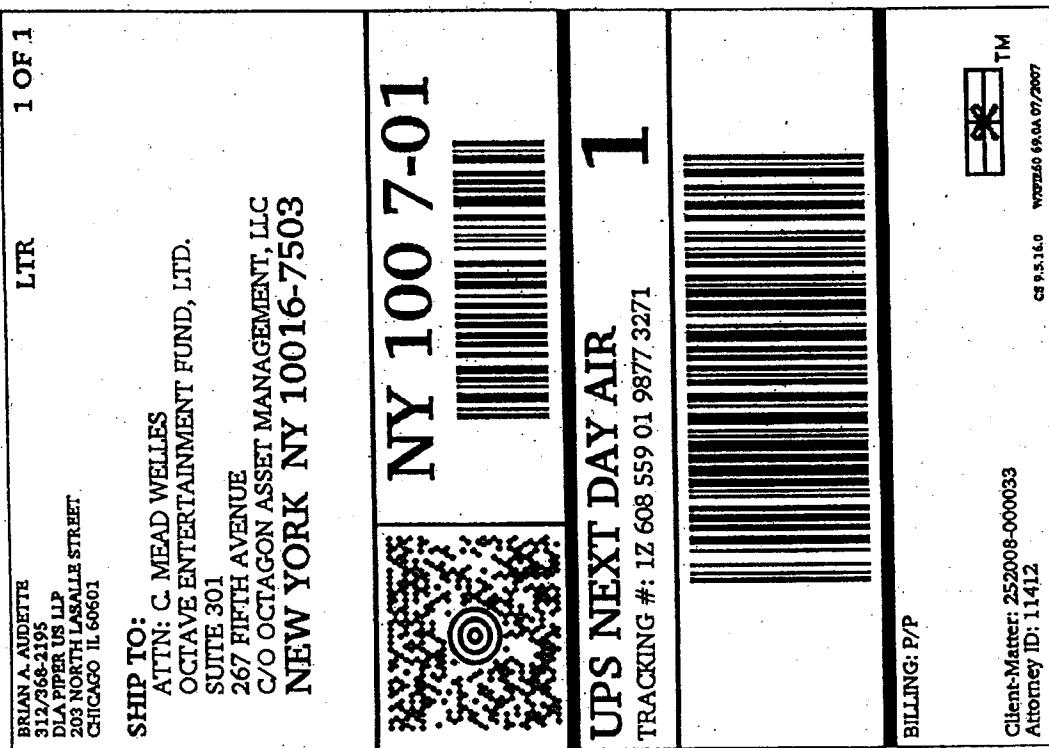
### UPS CampusShip: View/Print Label

1. **Print the label(s):** Select the Print button on the print dialog box that appears. Note: If your browser does not support this function select Print from the File menu to print the label.
2. **Fold the printed label at the dotted line.** Place the label in a UPS Shipping Pouch. If you do not have a pouch, affix the folded label using clear plastic shipping tape over the entire label.
3. **GETTING YOUR SHIPMENT TO UPS**  
**Customers without a Daily Pickup**
  - o Schedule a same day or future day Pickup to have a UPS driver pickup all your CampusShip packages.
  - o Hand the package to any UPS driver in your area.
  - o Take your package to any location of The UPS Store®, UPS Drop Box, UPS Customer Center, UPS Alliances (Office Depot® or Staples®) or Authorized Shipping Outlet near you. Items sent via UPS Return Services™ (Including via Ground) are accepted at Drop Boxes.
  - o To find the location nearest you, please visit the Resources area of CampusShip and select UPS Locations.

#### Customers with a Daily Pickup

- o Your driver will pickup your shipment(s) as usual.

FOLD HERE



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## Tracking Summary

### Tracking Numbers

**Tracking Number:** 1Z 608 559 01 9877 327 1  
**Type:** Package  
**Status:** Delivered  
**Delivered On:** 09/27/2007  
10:10 A.M.  
**Delivered To:** NEW YORK, NY, US  
**Signed By:** THORN  
**Service:** NEXT DAY AIR

Tracking results provided by UPS: 09/27/2007 4:01 P.M. ET

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**Delivery Notification**

Dear Customer,

This is in response to your request for delivery information concerning the shipment listed below.

**Tracking Number:** 1Z 608 559 01 9877 327 1  
**Service:** NEXT DAY AIR  
**Shipped/Billed On:** 09/26/2007  
**Delivered On:** 09/27/2007 10:10 A.M.  
**Delivered To:** NEW YORK, NY, US  
**Signed By:** THORN  
**Location:** OFFICE

Thank you for giving us this opportunity to serve you.

Sincerely,  
United Parcel Service

Tracking results provided by UPS: 09/27/2007 4:11 P.M. ET